

## June 5, 2014 Budget Meeting (County Department Presentations)

The Randolph County Board of Commissioners met at 6:00 p.m. for a special budget session in the 1909 Randolph County Historic Courthouse Meeting Room, 145 Worth Street, Asheboro, NC. Commissioners Holmes, Frye, Kemp, Lanier, and Haywood were present. County department heads were given the opportunity to present their budget requests.

### **Public Health**

MiMi Cooper, Public Health Director, said that the Health Department budget is about \$500,000 less than last year. Due to state changes, Medicaid budget cuts, and settlement differences, the Health Department is not able to maintain the revenues it has received in years past. The only option was to close the prenatal clinic. She said that the Board of Health is aware and supports this decision. Randolph County Family Healthcare at MERCE is picking up the prenatal clinic and will start providing that service July 1, so low income pregnant women in Randolph County will be served.

### **Randolph County Human Resources**

Stacy Griffin, Human Resources Director, recommended a 3% cost of living adjustment for County employees in the upcoming budget and provided justification for the request. She said that unfortunately, even in the midst of a recession, Randolph County Government turnover has steadily increased over the past five years (10.31% in 2009 to 14.5% in 2013), and 2014 is on target for 100 turnover positions this year. For calendar year ending 2013, Ms. Griffin has determined that the conservative cost of turnover for 111 employees is \$1,267,065. Thus, the cost of not getting ahead of, or catching up to, our turnover issue is costing the county more than a million dollars per year. The employees who have stayed with us during the current recession have not only picked up additional duties from positions we chose not to fill, but have taken on extra work simply due to our higher turnover, as well.

Ms. Griffin said that while all employees have been incredibly thankful for the 1.5% COLA increase given this past year, the one-time merit bonus funds for top performers the past two years and the 40 hours of extra vacation in fiscal year 2012-2013, the numbers for the past five years, both on the national and local levels, show Randolph County Government compensation falling behind. She said that Human Resources contacted 13 counties we have historically compared ourselves with and with whom we compete the most for talent. Of the thirteen, eight (Alamance, Union, Rockingham, Orange, Moore, Montgomery, Iredell and Davidson replied; Guilford, Catawba, Cabarrus, Rowan and Chatham did not reply). When looking over the past five years and what counties around us have done, with the exception of Montgomery, who has given one-time bonuses, and possibly Iredell (responded with unclear data), we are near the bottom or below what these other counties have done. It appears, with the turnover, that we are training employees and they're going to use their skills somewhere else.

Ms. Griffin said that a 3% cost of living adjustment for all employees would be a big step towards bringing our County employees in line with other national, state and local government workers in regard to pay, and hopefully ebb some of the flow of talent that continues to leave our employment every year. A 3% increase would cost the county \$1,047,000, which is approximately \$220,000 less than our cost of turnover for the 2013 calendar year.

Commissioner Haywood asked Ms. Griffin what it would take to stem the turnover rate. Ms. Griffin responded that we need roughly 6% to get us in the ballgame but did not feel that she could ask for that much in one year. Ms. Griffin also asked that the Board keep in mind for future consideration an increase in 401(k) match and County-supplemented dental insurance.

### **Administration**

Will Massie, Assistant County Manager/Finance Officer, reviewed some changes in the Administration budget and a request for a Wellness Coordinator, the funding for which would come from collections from employees for health insurance premiums. A request for a grant writer position would be funded in cost reduction elsewhere. Mr. Massie noted that unemployment insurance declined in this budget year since we're paying for two years in FY13-14 but drops to paying for one year next year. Other insurance is down slightly.

Commissioner Haywood asked Mr. Massie what the County's unappropriated fund balance is projected to be at the end of June. Mr. Massie said that he hopes we don't lose more than \$1- or \$2-million this year, which would take us down to 21% of expenditures. He said the average for counties across the state has been going up while Randolph's is going down. He said that we have \$3.5 million appropriated in this budget.

### **Information Technology (IT)**

Michael Rowland, IT Director, presented his technology request for a total of \$211,000. He said that the 2014-2015 IT budget has been impacted by increasing maintenance costs for software and hardware. Part of this increase comes from new maintenance costs for network equipment and storage that were added as part of the 2013 Strategic Technology Work Plan project. This project consisted of the Storage Area Network upgrade, core network equipment upgrade, email server upgrade and the addition of a second internet circuit and firewall.

Mr. Rowland said the Strategic Technology Work Plan that was presented in January 2014 consisted of a SQL database software upgrade. At that time, the Board requested that such maintenance items be included in the yearly budget request. Therefore, IT has reviewed and updated the technology replacement plan that was presented at the 2013 Commissioner's Retreat. The first year maintenance needs were prioritized and included in this budget. The technology maintenance identified as priorities include the SQL database software upgrade (\$50,000), network equipment upgrades (\$58,000), server hardware replacements and phone replacements (\$63,000) for a total cost of \$211,000. The network equipment that will be refreshed under the technology replacement plan provides network connectivity in each of the county buildings. Maintenance of our technology infrastructure is critical to our daily operations and the ability of our departments to provide services to our citizens. The technology replacement plan only covers the maintenance and replacement of critical infrastructure hardware and software and is not intended to add features or capacity.

Mr. Rowland also mentioned that his department is still dealing with a staffing shortage for application and database support. However, he said that he feels that implementing the technology replacement plan should be our first priority.

### **Tax Department**

Debra Hill, Tax Supervisor, said that the tax department budget has not changed much from last year. The Tax Department is no longer collecting the taxes for registered motor vehicles but the overall budget has not decreased significantly because of the processing fees that we pay back to DMV and the Department of Revenue. She said that it was hoped that some of the fees for the local plate agencies/tag offices would decrease this year, but it appears that they will remain the same. Ms. Hill said that we are currently under contract with Tax Management to do business audits, and they are contracted to do 200 business personal property audits during the 14-15 fiscal year, in which a flat fee will be paid for each one. She said that the overall budget for the appraisal section will decrease some this year because revaluation is complete, requiring less expense with vehicles and postage.

Ms. Hill said that appeals hearings are going very well, having receiving fewer than expected. And, surprisingly, some of the appeals have come from citizens wanting their values increased. She said that the E & R Board is meeting twice a week and should finish by the end of July.

### **Elections**

Melissa Johnson, Elections Director, said that the two elections conducted the fiscal year went very well. These were the first two elections since precincts were consolidated from 40 to 22. She noted some slight cost savings in personnel and phone expenses. But they did have to increase the number of early voting sites due to state requirements. However, a big cost savings will be realized when new voting equipment is purchased since there will be fewer precincts to equip.

Ms. Johnson noted that a second primary is scheduled for July 15 and the general election will be held on November 4. Information on the second primary has been posted on Election's website regarding who can and cannot vote, along with early voting information. She stated that her office has implemented new ways of doing business since state regulations have changed. The new voter id law required the hiring of a few extra personnel to implement that information at polling sites. She mentioned the implementation of new statewide software has been a big change for staff.

Ms. Johnson stated that she is asking for a capital increase of \$24,500 for help to run early voting sites more efficiently because of changes at precincts and for the purchase of four tabulators. She said purchasing them now will allow us get the new software that will be needed for the future and would offset the equipment need in the next few years and would help us operate a little more efficiently now. However, if the additional funding is not available now, she said they can continue to operate with the backup tabulators.

### **Register of Deeds**

Krista Lowe, Register of Deeds, said that she was satisfied with the Manager's proposed budget and was available to answer questions.

### **Public Buildings (Maintenance)**

James Chriscoe, Maintenance Director, said that the County has a lot of aged equipment that his staff is keeping patched and that he's able to complete only two or three big projects a year with his limited budget. Departments have to fund their own projects. He answered questions from the Board about HVAC and roofing needs and cost saving measures that his department has implemented over the past few years.

### **Sheriff's Office**

Sheriff Maynard Reid called upon Jane Leonard, Assistant Business Manager, to present the budget request of the Sheriff's Office. Ms. Leonard, via PowerPoint presentation, reviewed the following needs:

	Department Requested			Manager Proposed Budget	
	# of Units	Cost per Unit	Total	Funds Included	Funds Not Included
<b><u>Non-Capital Equipment</u></b>					
Replcmnt Desktops Sheriff's office staff	20	\$1,800	\$36,000	\$2,000	\$34,00
Replcmnt Desktops for Jail and booking	10	\$1,800	\$18,000	\$7,700	\$10,300
Replcmnt Mobile Laptop Computers (vehicles)	12	\$1,800	\$21,600		\$21,600

Replace Server for Door-Key Control Access	1	\$2,000	\$2,000		\$2,000
Replace Network Switch for Upgrade to Inmate Commissary Sys	1	\$2,500	\$2,500		\$2,500
Tactical Vest for ERT	4	\$2,200	\$8,800		\$8,800
<b>Total Non-Capital Equip:</b>			<b>\$88,900</b>	<b>\$9,700</b>	<b>\$79,200</b>
<b><u>Jail Maintenance</u></b>					
Guard View Glass	1	\$12,000	\$12,000		\$12,000
Sinks	25	\$600	\$15,000		\$15,000
G-Pod Doors-Upper Level Replacement	24	\$915	\$21,960		\$21,960
Repaving Parking Lot at Gate	1	\$15,000	\$15,000		\$15,000
Addition to regular budget (\$35,000 increase to \$45,000)	1	\$10,000	\$10,000		\$10,000
<b>Total Jail Maintenance:</b>			<b>\$73,960</b>		<b>\$73,960</b>
<b><u>Capital Outlay</u></b>					
Replace Video Arraignment System-Crthse & Jail	1	\$125,500	\$125,000		\$125,000
Replace Env. Control Sys at Jail	1	\$40,000	\$40,000		\$40,000
<b>Total Capital Outlay:</b>			<b>\$165,000</b>		<b>\$165,000</b>
<b>Total Requested:</b>			<b>\$327,860</b>	<b>\$9,700</b>	<b>Total Funds Needed: \$318,160</b>
					<b>Less Law Enf Restricted Rev: \$8,800</b>
				<b>Total Add'l County Funds Needed:</b>	<b>\$309,360</b>

Commissioner Haywood asked Sheriff Reid to prioritize these needs. Sheriff Reid said that the first priority would be to replace the Environmental Control System at the Jail. He said that another crucial item that is needed is the video arraignment system.

### **Recess**

At 7:42 p.m., the meeting was recessed for a short break.

### **Meeting Resumed**

At 7:54 p.m., the Board returned to open session.

### **Emergency Services**

Donovan Davis, Emergency Services Director, presented a handout outlining the Emergency Services Modernization Plan using the proposed two cent increase on the tax rate as a dedicated source of revenue, as follows:

## **Emergency Services Modernization Plan**

	<u>2014-15</u>	<u>2015-16</u>	<u>2016-17</u>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>
<b>Recurring</b>						
EMS Personnel for Uwharrie Base	\$163,416	\$326,832	\$326,832	\$326,832	\$326,832	\$326,832
911 Call Taker Positions (5)	\$105,283	\$210,565	\$210,565	\$210,565	\$210,565	\$210,565
Asst Communication Supervisor	\$24,636	\$49,272	\$49,272	\$49,272	\$49,272	\$49,272
EMS Personnel for Southeast Base		\$163,416	\$326,832	\$326,832	\$326,832	\$326,832

Emergency Notification Service		\$40,000	\$40,000	\$40,000	\$40,000	\$40,000	\$40,000
<b>Replacement Vehicles</b>							
Fire Marshal vehicles (3)		\$81,000					
EM vehicle		\$35,000					
EMS supervisor vehicle		\$35,000					
EMS utility vehicle		\$45,000					
Additional Ambulance (replace Ford)		\$150,000					
Additional Ambulance (new bases)		\$150,000	\$150,000				
New cardiac monitor (additional ambulance)		\$40,000	\$40,000				
<b>Ambulance Bases</b>							
New Uwharrie base		\$260,000					
New Liberty base		\$260,000					
New Southeast base			\$260,000				
subtotal		\$1,389,335	\$1,240,085	\$953,501	\$953,501	\$953,501	\$953,501
<b>New 911 Center / Asheboro Ambulance Base</b>							
Initial costs		\$100,000	\$100,000				
Debt service	(\$10,000,000 project )	\$476,390	\$625,639	\$1,012,223	\$1,012,223	\$1,012,223	\$1,012,223
		\$576,390	\$725,639	\$1,012,223	\$1,012,223	\$1,012,223	\$1,012,223
<b>Total Emergency Services Modernization Costs</b>		<b>\$1,965,724</b>	<b>\$1,965,724</b>	<b>\$1,965,724</b>	<b>\$1,965,724</b>	<b>\$1,965,724</b>	<b>\$1,965,724</b>

Note: Two cents on property tax rate generates: \$1,965,724

### **Building Inspections**

David Bryant, Building Inspections Supervisor, said he was satisfied with the Manager's proposed budget.

### **Adult Day Reporting Center (DRC)**

Pam Smith, Adult DRC Director, provided an update on the Day Reporting Center and spoke in support of the part-time case manager position that has been requested for her department and has been included in the Manager's proposed budget. She said that 161 participants were served in FY 12-13 and 237 participants have already been served in this fiscal year. Major JoAnn Sapp and Lt. Lanny McIver from the Randolph County Sheriff's Department, as well as, two program participants, spoke in support of the program.

### **Juvenile Day Reporting Center (JDRC)**

Megan McKinnon, JDRC Director, said that the Juvenile Day Reporting Center is grant funded, with the County providing in-kind assistance. The JDRC proposed budget is the same as the current fiscal year's budget, although the program will be changing dramatically next year. The program will still serve youth, but with the changes, the program will be opening doors to at risk youth and court involved youth and will allow the program to serve double the number of participants as last year with the same budget.

### **Planning and Zoning**

Hal Johnson, Planning Director, spoke in support of the request to increase the per meeting stipend for Planning Board members from \$35 to \$50 per meeting. This would be the first increase since 1987. He also said that he was satisfied with the Planning and Zoning department's proposed budget.

### **Soil & Water Conservation District**

Craig Frazier, Soil and Water District Supervisor, thanked the Board for its support.

### **Cooperative Extension**

Jonathan Black, Interim Cooperative Extension Director, said that he was pleased with the proposed budget for Cooperative Extension.

### **Public Works**

Paxton Arthurs, Public Works Director, said that he was satisfied with Public Works' budget as proposed by the Manager.

### **Social Services (DSS)**

Beth Duncan, DSS Director, said that the DSS budget includes a request for the necessary manpower to accomplish legal mandates to serve eligible citizens of Randolph County, and that all of the requested positions have been included in the Manager's proposed budget. Ms. Duncan reminded the Board that some of these positions are reimbursable at 50%. She also noted that DSS's total costs for DSS salary and operating expenses next year of \$13.2 million is expected to be reimbursed at a level that leaves a cost to the County of \$6.7 million. This investment from the County will leverage many more dollars paid from state and federal sources (such as Food and Nutrition benefits and Medicaid benefits) which are critical to the local economy.

Ms. Duncan said that Food and Nutrition Service caseloads have seen steady growth over the last few years. In 2005, Randolph County DSS had five FNS caseworkers with 786 cases each. Even though that unit has grown to 14 caseworkers – their caseloads have grown to 837 cases each. The average caseload for similar counties is 696 cases per worker. Randolph County DSS is asking for one additional worker to keep caseloads per worker at an average of 781 cases per worker.

Next, Ms. Duncan said that Medicaid caseloads have also seen a steady growth. In 2005, Randolph County DSS employed 26 Medicaid caseworkers with 521 cases each. That number has grown to 31 caseworkers with 664 cases each. The average caseload for similar counties is 560 cases per worker. Randolph County DSS is asking for one additional worker to keep caseloads per worker around 643, still higher than average of counties with similar demographics.

Ms. Duncan spoke next about the Child Protective Services unit, which has 14 Social Work Investigators under two supervisors. There is a need for an additional SW Supervisor and a SW Investigator so that each worker will be receiving 6.5 new cases a month and each supervisor meets the state standard of a 5 to 1 ratio. (The ratio of worker to supervisor in that area is 7 to 1 now). Recent data shows that each supervisor staffs 49 new cases per month and this number needs to be reduced to less than 35 to ensure that our legally mandated requirements are met in accordance with state law.

Finally, Ms. Duncan said that two unfunded, permanent full-time positions need to be funded to allow the agency to effectively greet and route 38,650 clients per year, answer 10,000 phone calls per month, and accept, scan, and effectively route 78,000 pieces of incoming mail per year. The agency can no longer fund these positions by lapsing salaries of other critical positions.

### **Veterans Services**

Terry VanVliet, Veterans Services Officer, said that as of January of this year, the Veterans Service office is staffed by two full time people and that she is happy with the Manager's proposed budget.

### **Child Support Enforcement**

Damon Brown, Child Support Enforcement Director, said that last year, the state legislature proposed to do away with a waiver that allowed his agency to file motions without paying filing fees. At last minute, there was a decision to reinstate the waiver. Because of this, he was able to trim the clerk of court fee part of this year's budget by \$110,963. Also, because of the document imaging project approved last year, Mr. Brown said that his budget has been reduced by \$34,500.

Mr. Brown spoke in support of the requested new agent's position in his department, and provided statistics that reinforce the need for another agent. The Division of Social Services has recommended 300-325 cases per agent. The average number of cases per agent in the Randolph office is 578. The requested position has been included in the Manager's proposed budget. The full cost of the position (\$41,644) is reimbursed at 66% by the federal government, which equates to a cost of \$14,159 to the County. Mr. Brown said that even with the addition of a new agent position, his proposed budget is \$32,113 less than last year's budget.

### **Public Library**

Ross Holt, Public Library Director, said that he was satisfied with the Manager's proposed budget for the Library.

### **Adjournment**

*At 8:42 pm., on motion of Frye, seconded by Lanier, the Board voted unanimously to adjourn.*

---

J. Harold Holmes, Chairman

---

Darrell L. Frye

---

Phil Kemp

---

Arnold Lanier

---

Stan Haywood

---

Cheryl A. Ivey, Clerk to the Board